

# Office of Governor Mitch Daniels

## July 28 - August 5, 2008 Volume 2, Issue 92



# Weekly Update

## Governor announces taxpayer protection agenda

August 5, 2008— Building on the state's three straight years of balanced budgets, Governor Mitch Daniels has proposed two major steps to further strengthen Indiana's protection of taxpayers.

First, the governor called for final legislative passage of a constitutional amendment to make permanent the caps on property taxes contained in the landmark tax cut bill approved during the 2008 session of the Indiana General Assembly. Second, the governor proposed sending taxpayers a refund in the years when state revenues exceed those necessary for a balanced budget and rainy day reserves.

The governor's property tax package, HEA 1001, received overwhelming bipartisan support (119-27). Among its provisions, it limits property taxes to 1 percent of the value of a home, 2 percent of agriculture land or rental property, and 3 percent of any other business beginning in 2010 (phased in starting next year). Daniels said achieving permanent property tax protections for homeowners and other taxpayers would be his top priority for the 2009 legislative session.

Homeowners all over the state are beginning to reap the benefits of the governor's property tax plan. So far, the average property tax reduction is about 38 percent compared to 2007 taxes.

A constitutional amendment must be approved by two separate sessions of the General Assembly before it can go to a popular vote. If legislators approve SJR1 again during the 2009 session, Indiana voters would have the opportunity to consider the caps in the November 2010 general election.

"We've taken the first of what must be three steps to make the caps permanent and constitutional. The legislature has voted once to submit this to a referendum of the people. A second vote under our law must occur, and then you the people get a chance to vote," said Daniels, during a luncheon speech before members of the Rotary Club of Indianapolis. "I'm very confident that if the people of Indiana get that chance, they are going to vote to lock in these caps and this unique-in-America protection. We have to make sure that that vote happens, and that it comes soon."

The second proposal, the Automatic Taxpayer Refund, would ensure that any tax revenues beyond those needed to maintain a balanced budget and adequate rainy day reserves be sent back to taxpayers in the form of a refund.

In years when state revenues are above an agreed level needed for fiscal sufficiency (for example, 10 percent of the next budget), the surplus amount would be returned to taxpayers on a per capita basis in the form of a credit on their next income tax filing. The state auditor would be responsible for certifying that the amount of total financial reserves, which consist of the General Fund, Rainy Day Fund, Medicaid reserve and School Rainy Day Fund are above the agreed level.

"The state would collect only what it needs to provide essential services, to protect itself against a downturn and to have an adequate reserve. Above that, the money stays with the taxpayer to be spent on family needs and to be reinvested in a growing economy," said Daniels.

The plan would require the approval of the General Assembly.

**Audio from Governor Daniels' announcement can be found [here](#)**

To view past updates, click [here](#).

To visit Governor Daniels' Web site, click [here](#).

## Indiana receives \$10 million in first installment of disaster assistance from federal government

August 5, 2008— Governor Mitch Daniels was notified last week that Indiana will immediately receive \$10 million in disaster assistance funding from the federal government for the state's long-term recovery efforts from recent severe storms and flooding.

The emergency funding is provided through the U.S. Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) Program and represents a portion of the supplemental funding Congress appropriated in July for emergency disaster assistance in the Midwestern states affected by recent storms. The grant funding will be administered by the Indiana Office of Community and Rural Affairs (OCRA). A detailed grant program will be outlined by OCRA and will focus on projects that aid in housing and infrastructure recovery and rehabilitation.

The \$10 million amount is based on a HUD formula that factors in preliminary estimates of housing, business and infrastructure loss in Indiana. Additional funding may be allocated as more detailed data becomes available. HUD will allocate an additional \$200 million to affected states when it completes a more thorough study of each state's needs.

The HUD release can be located [here](#).

## Governor visits 4-H members at the Brown and Morgan County Fairs

Aug. 3, 2008— Governor Daniels visited three more 4-H fairs last week as he made stops in Brown, Lake and Morgan counties.

The governor visited Martinsville on Wednesday where he checked out exhibits and ate lunch with Morgan County 4-H ambassadors. Governor Daniels watched the livestock beef show with Fair Queen Brittany Winchester and Miss Congeniality Jessica Haggard before enjoying a bowl of ice cream at the Morgantown Fire Department booth.

The governor's next stop was in Nashville at the Brown County Fair. While there, he enjoyed a tour of the livestock exhibits and visited with local residents and fairgoers.

On Sunday, Governor Daniels stopped in northwest Indiana to visit the Lake County Fair in Crown Point. The governor toured the livestock barns and sampled some sweet corn with a group of young 4-H members.



July 30, 2008- Governor Daniels received a tour of the livestock exhibits at the Morgan County 4-H Fair during a visit to Martinsville.



July 30, 2008—Governor Daniels examines a project with a 4-H member at the Brown County 4-H Fair in Nashville.

## What's Happening In My County

visit the [IN.gov](#) map feature >



**Reminder: Hoosiers living in the 40 counties approved for FEMA individual assistance must apply by August 11. Visit [www.emergency.in.gov](http://www.emergency.in.gov) for more information.**

Did you know...

...new pictures are added to Governor Daniels' photo gallery every week? Click [here](#) for more!

## Finish Line expands Indianapolis operations, adds 180 jobs

July 30, 2008- Mall-based retailer Finish Line, Inc., announced its plans to expand its operations in Indianapolis, including adding more than 180 new jobs over the next five years.

The Indianapolis-headquartered company, which operates nearly 700 Finish Line and 100 Man Alive stores across the country, plans to invest more than \$34 million which includes the expansion of its approximate 800,000 square-foot national distribution center and corporate headquarters located on Indianapolis' east side.

"The Finish Line joins a growing list of companies like Telamon, Author Solutions and White Lodging that have decided to grow their headquarters in Indiana. Headquarters locations, with the high-paying jobs and community commitment they bring, are the best news an economy can get," said Governor Mitch Daniels.

The company, which employs more than 670 associates at its Indianapolis headquarters and distribution center and approximately 13,000 associates across the country, will hire corporate headquarters and distribution associates as the company expands its facilities over the five-year period.

"This expansion will support our continued growth in the United States," said Alan Cohen, chief executive officer of Finish Line. "Finish Line is a home-grown Indiana company, and we are committed to Indianapolis and being an important part of the eastside community."

## Motorcycle race team, parts maker to expand its Indiana operations, adds 26 jobs

July 31, 2008 - Lt. Governor Becky Skillman joined executives from motorcycle racer and parts manufacturer Vance and Hines Motorsports Inc. to announce the company's plans to expand its operations in Brownsburg, creating 26 new jobs by 2011.

The company, which manufactures motorcycle engines and exhaust components for street bikes and professional racers, will invest more than \$4 million to build and equip a 66,000-square-foot exhaust systems manufacturing facility adjacent to its current race shop in the suburban Indianapolis town that National Dragster Weekly magazine called the 'Drag Racing Capital of the World'.

"Motorsports has a rich history and a bright future in Indiana," said Skillman. "We'll continue to encourage motorsports companies from across the country and around the globe to locate and expand here as we build Indiana's reputation as the motorsports capital of the world."

Vance and Hines, which currently employs nearly 40 workers at its Brownsburg facility, plans to begin hiring additional machine operators, welders and customer support personnel in the fall to prepare for the scheduled opening of the new facility in December. The company has hired Indianapolis-based Lauth to construct the new facility.

"Indiana is an ideal manufacturing base for our company. Competitive developments costs, low overhead and a skilled worker pool will allow us to succeed in the future," said Byron Hines, co founder of Vance and Hines Motorsports Inc. "We look forward to developing and manufacturing more aftermarket high-performance motorcycle products for the worldwide market and would like to thank the state, Hendricks County and Brownsburg for their assistance in our expansion."

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A Look Ahead...

**...This week Governor Daniels will visit Jeffersonville, Austin, Medora, Shelbyville, Moscow, Lafayette and Hanna.**